

### COUNTY OF LOS ANGELES

#### DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

January 10, 2012

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

## **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

32 January 10, 2012

SACHI A. HAMAI
EXECUTIVE OFFICER

AWARD OF CONTRACT FOR PUBLIC CURBSIDE CONTAINER COLLECTION AND DISPOSAL SERVICES FOR ROAD MAINTENANCE DISTRICT 3 AREA WITHIN MESA HEIGHTS, LENNOX, AND ROSEWOOD (SUPERVISORIAL DISTRICT 2)

(3 VOTES)

#### **SUBJECT**

This action is to award a contract for the daily collection and disposal of refuse from public curbside containers located in the business areas within Road Maintenance District 3, which includes Mesa Heights, Lennox, and Rosewood.

#### IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act.
- 2. Award the contract for Public Curbside Container Collection and Disposal Services for Road Maintenance District 3 Area in an annual sum of \$93,025 (which includes \$8,457 for disposal and fuel adjustments in accordance with the contract), and a potential maximum contract sum of \$418,613, to Consolidated Disposal Service, LLC. This contract will be for a period of one year commencing on February 1, 2012, or upon execution by both parties, whichever occurs last, with three 1-year renewal options and a month-to-month extension up to six months for a maximum potential total contract term of 54 months.
- 3. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work within the

The Honorable Board of Supervisors 1/10/2012 Page 2

scope of the contract, if required.

4. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option and extension periods if, in the opinion of the Director of Public Works or her designee, Consolidated Disposal Service, LLC, has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to continue to provide daily refuse collection and disposal services from public curbside containers located in the business areas within Road Maintenance District 3, which includes Mesa Heights, Lennox, and Rosewood. The Department of Public Works (Public Works) has contracted for these services since 2000.

#### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

#### FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The contract is for an annual amount of \$93,025 (which includes \$8,457 for disposal and fuel adjustments in accordance with the contract) plus 10 percent of the contract sum for unforeseen, additional work within the scope of the contracts. This amount is based on the unit price quoted by the contractor and Public Works' estimated annual utilization of the contractor's services and estimated annual amount for disposal and fuel adjustments.

Funding for these services is included in the Fiscal Year 2011-12 Road Fund Budget. Funds to finance the contract's option years, including 10 percent additional funding for contingencies, will be requested through the annual budget process.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The recommended contractor is Consolidated Disposal Service, LLC, located in Santa Fe Springs, California. This contract will commence on February 1, 2012, or upon execution by both parties, whichever occurs last, for a period of one year. With your Board's delegated authority, the Director of Public Works (Director) or her designee may renew the contract for three 1-year renewal options and a month-to-month extension up to six months for a maximum potential total contract term of 54 months.

The contract will be in the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director executing this contract, the contractor will sign and County Counsel will review it

The Honorable Board of Supervisors 1/10/2012 Page 3

as to form. The recommended contract with Consolidated Disposal Service, LLC, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and your Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from the contractor before any work is assigned.

Pursuant to the applicable memorandum of understanding, the Request for Proposals (RFP) for these contracted services was submitted on September 20, 2011, to the appropriate union for review. The union has not asked to meet with Public Works regarding this solicitation.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is for services required on a part-time basis; hence, this contract is not a Proposition A contract (Los Angeles County Code, Chapter 2.121).

This contract does not allow for cost-of-living adjustments for the option years. However, this contract does contain provisions for fuel and disposal fee adjustments on an annual basis.

#### **ENVIRONMENTAL DOCUMENTATION**

These services are categorically exempt from the provisions of the California Environmental Quality Act (CEQA). These services are within a class of projects that have been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15301 of CEQA.

#### **CONTRACTING PROCESS**

On September 21, 2011, Public Works solicited proposals from 246 independent contractors and

The Honorable Board of Supervisors 1/10/2012 Page 4

community business enterprises to accomplish this work. Also, a notice of the RFP was placed on the County's bid website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On October 17, 2011, four proposals were received. The proposals were first reviewed to ensure they met the minimum requirements in the RFP. All proposals having met these requirements were then evaluated by an evaluation committee consisting of Public Works staff. The committee's evaluation was based on criteria described in the RFP, which included the price, experience, work plan, references, and equipment utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the highest-rated and apparent responsive, responsible, and lowest-cost proposer, Consolidated Disposal Service, LLC.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The award of this contract will not result in the displacement of any County employees as these services are presently contracted with the private sector.

#### CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

GAIL FARBER

Director

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**Enclosures** 

Chief Executive Office (Rita Robinson)
 County Counsel
 Executive Office

Hail Farher

#### AGREEMENT FOR

# PUBLIC CURBSIDE CONTAINER COLLECTION AND DISPOSAL SERVICES FOR ROAD MAINTENANCE DISTRICT 3 AREA

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_\_\_, 2012, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and CONSOLIDATED DISPOSAL SERVICE, LLC, a Limited Liability Company (hereinafter referred to as CONTRACTOR).

#### WITNESSETH

<u>FIRST</u>: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the Board of Supervisors of said COUNTY of the CONTRACTOR'S Proposal filed with the COUNTY on October 17, 2011, hereby agrees to provide services as described in this Contract for Public Curbside Container Collection and Disposal Services for Road Maintenance District 3 Area.

SECOND: This AGREEMENT, together with Exhibit A, Scope of Work; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Defaulted Property Tax Reduction Program; Exhibit F, Lennox Area Map; Exhibit G, Mesa Heights Area Map; Exhibit H, Rosewood Area Map; Exhibit I, Collection Container Locations; Exhibit J, Sample Fuel Adjustment Calculation; the CONTRACTOR'S Proposal, all attached hereto; the Request for Proposals; and Addenda to the Request for Proposals, all of which are incorporated herein by reference, are agreed by the COUNTY and the CONTRACTOR to constitute the Contract.

<u>THIRD</u>: The COUNTY agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with the Contract specifications to the satisfaction of the Director of Public Works, to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the Proposal and attached hereto as Form PW-2.1, an amount not to exceed \$93,025 (which includes \$8,457 for disposal and fuel adjustments in accordance with the contract) per year or such greater amount as the Board may approve, (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of one year commencing on February 1, 2012, or upon execution by both parties whichever occurs last. At the sole discretion of the COUNTY, this Contract may be extended in increments of one year, for a maximum potential contract of four years. The COUNTY, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the COUNTY, in lieu of extending the Contract for the full one year, this Contract may be extended on a month-to-month basis, upon written notice to the CONTRACTOR at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not provide a written notice of nonrenewal. In addition, upon notice of at least ten days, the Director may extend the final

contract term on a month-to-month basis, not to exceed a total of six months, for the convenience of the COUNTY

<u>FIFTH</u>: The CONTRACTOR shall bill monthly in arrears, for the work performed during the preceding month. Work performed shall be billed at the unit price quoted in Form PW-2.1, Schedule of Prices.

SIXTH: Public Works will make payment to the CONTRACTOR within 30 days of receipt and approval of a properly completed and undisputed invoice. However, should the CONTRACTOR be certified by the COUNTY as a Local Small Business Enterprise, payment will be made in accordance with Board of Supervisors Policy No. 3.035, Small Business Liaison and Prompt Payment Program. Each invoice shall be in triplicate (original and two copies) and shall itemize the work completed. The invoices shall be submitted to:

County of Los Angeles Department of Public Works Attention Fiscal Division, Accounts Payable P.O. Box 7508 Alhambra, CA 91802-7508

<u>SEVENTH</u>: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

<u>EIGHTH</u>: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

NINTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

<u>TENTH</u>: No cost-of-living adjustments shall be granted for the optional renewal periods.

<u>ELEVENTH</u>: Upon receiving a written request from the CONTRACTOR, Director may approve an annual adjustment on 5 percent of the unit rate of compensation set forth in Form PW-2.1 (Schedule of Prices) based on the increase or decrease in the fuel price published in the Official Energy Statistics from the United States Department of Energy (DOE). The following DOE websites will be utilized for fuel adjustments:

- for Diesel (On-Highway) and Gasoline All Grades (Regular) for California at <a href="http://tonto.eia.doe.gov/dnav/pet/pet pri gnd dcus sca m.htm">http://tonto.eia.doe.gov/dnav/pet/pet pri gnd dcus sca m.htm</a>
- for Liquid Propane Gas (LPG) using West Coast (PADD 5) "Commercial/ Institutional" at http://tonto.eia.doe.gov/dnav/pet/pet pri prop dcu r50 m.htm
- for Compressed Natural Gas (CNG) Clean Cities Alternative Fuel Price Report, Table 5, Compressed Natural Gas Average Prices by Region from Clean Cities Sources "West Coast," at http://www.eere.energy.gov/afdc/price\_report.html

as appropriate and in proportion to the number and types of vehicle(s) used. Public Works may use other indices to calculate fuel adjustments if necessary. The percentage change in the fuel price shall be obtained using the fuel prices published on the month of the Proposal submission date and the fuel price most recently published for the month of requesting date of the adjustment. However, when the percentage increase or decrease in the fuel price is less than 5 percent, no fuel adjustment will be granted. In the event the fuel adjustment is granted, the fuel adjustment (increase or decrease) will be added to or subtracted from, as applicable, the unit rate of compensation to establish the adjusted unit rate of compensation. A sample calculation is included in Exhibit J. Public Works shall be permitted to audit the CONTRACTOR'S fuel usage, fuel costs, and fuel procurement methods for the vehicles used in providing the service and the CONTRACTOR shall provide records pertaining to its fuel costs upon the COUNTY'S request. The CONTRACTOR shall immediately notify the COUNTY if the CONTRACTOR changes from purchasing fuel using Market Prices, to a long-term agreement for fuel purchases.

TWELFTH: Upon receiving a written request from the CONTRACTOR, the Director may approve an annual adjustment on 10 percent of the unit rate of compensation set forth in Form PW-2.1 (Schedule of Prices) based on a percentage change in disposal fee during the life of this Contract. Adjustments will be based on the increase or decrease in the disposal fee charged to the CONTRACTOR by the Solid Waste Facility designated/used by the CONTRACTOR. This percentage will be calculated based on the disposal fee charged on the commencement date of this Contract and the disposal fee charged on this Contract's renewal date(s). In the event the disposal fee adjustment is granted, the adjustment (increase or decrease) will be added to or subtracted from, as applicable, the unit rate of compensation to establish the adjusted unit rate of compensation. The CONTRACTOR must substantiate the change in cost for refuse disposal to the satisfaction of the Director. The CONTRACTOR supplied documentation shall include disposal site receipts, driver route schedules, vehicle numbers, summary sheets of monthly disposal costs and fees charged per ton, detailed comparisons of current and previous disposal fee, and any additional documentation requested by the COUNTY to establish most current disposal fees. The CONTRACTOR shall also provide an explanation for use or nonuse of any alternate disposal sites.

<u>THIRTEENTH</u>: In the event that terms and conditions, which may be listed in the CONTRACTOR'S Proposal, conflict with the COUNTY'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through J, inclusive, the COUNTY'S provisions shall control and be binding.

<u>FOURTEENTH</u>: The CONTRACTOR agrees in strict accordance with the Contract specifications and conditions to meet the COUNTY'S requirements.

<u>FIFTEENTH</u>: This Contract constitutes the entire agreement between the COUNTY and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

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	COUNTY OF LOS ANGELES
APPROVED AS TO FORM:	By Director of Public Works
ANDREA SHERIDAN ORDIN County Counsel	
By Deputy	CONSOLIDATED DIPSOSAL SERVICE
	By Its President
	Type or Print Name
	By Its Secretary
	Type or Print Name

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#### **Bid Detail Information**

Bid Number : PW-ASD 819

Bid Title: Public Curbside Container Collection and Disposal Services for Road Maintenance District 3

Bid Type: Service
Department: Public Works

Commodity: GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE

Open Date: 9/21/2011

Closing Date: 9/29/2011 1:00 PM

Bid Amount: \$ 105,000 Bid Download: Not Available

Bid Description: PLEASE TAKE NOTICE that Public Works requests proposals for the contract for Public Curbside

Container Collection and Disposal Services for Road Maintenance District 3 Area (2011-AN045). The total annual contract amount of this service is estimated to be \$105,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be

accessed at http://dpw.lacounty.gov/asd/contracts or may be requested from Mr. Benjamin Sandoval at (626) 458 7334 or bsandoval@dpw.lacounty.gov.

Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT http://dpw.lacounty.gov/asd/contracts.

Minimum Requirement(s): Proposers must meet all minimum requirements set forth in the RFP document including, but not limited to:

- 1. Proposer and/or its managing employee must have five years of experience providing public curbside collection services.
- 2. Proposer must possess the required valid Waste Collector Permit naming the Proposer as the permittee or a copy of the application for a Waste Collector Permit naming the Proposer as the permittee issued by the County Department of Public Health at the time of proposal submission.

A Proposers' Conference will be held on Thursday, September 29, 2011, at 1 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room A. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS MANDATORY. Public Works will reject proposals from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, proposal requirements, and contract terms. After the conference, Proposers must submit questions in writing and request information for this solicitation within seven calendar days from the date of the conference. After the seventh day, it may be impossible to respond to further requests for information.

The deadline to submit proposals is Thursday, October 13, 2011, at 5:30 p.m. Please direct your questions to Mr. Sandoval at the number listed on the previous page.

Contact Name: Benjamin Sandoval Contact Phone#: (626) 458-7334

Contact Email: <u>bsandoval@dpw.lacounty.gev.last Changed On:</u> 9/21/2011 7:46:09 AM

Back to Last Window